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SENSITIVE SIPDIS

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SUBJECT: BULGARIA: CONSERVATIVES DO WELL, BUT SOCIALISTS,

POPULISTS GAINING

11. (SBU) Summary: Bulgaria's European Parliament (EP) elections results are in line with the general EU trend of a low turnout, gains by conservative parties, and a strong protest vote punishing incumbent governments. Sofia Mayor Borissov's GERB party held its five seats while the Socialists lost one and the traditional conservative parties, united in the "Blue Coalition," are entering the European Parliament for the first time. Bulgarian voters were indifferent to EU issues, casting their votes on domestic issues, considering the elections as the de facto first round of the July 5 national parliament elections. GERB took the largest plurality as expected but PM Stanishev's Socialists narrowed GERB,s lead considerably, giving them new momentum for July 5. New populist protest parties -- Leader and Order, Law, and Justice (OLJ) -- failed to cross the threshold but still emerged as serious contenders for July 5. The biggest surprise is the strong showing by the ex-King's NMS, three times above its polling numbers, to keep its EP seat and gain another, reviving its hopes to reenter the national parliament. While these results do not forecast the national election, they are a barometer. The parties will now recalibrate campaigns and tactics. With turnout likely to be much higher, prospects are that as many as eight parties could enter parliament with no clearly dominant force. Such an outcome forebodes a fragmented parliament and long, complex coalition negotiations. End Summary.

## European Parliament Elections

12. (SBU) More voters turned out for these EP elections, the second since Bulgaria joined the EU in 2007, but the percentage (36 vs. 27) is still in line with the overall low EU turnout. The number of Bulgaria's MEPs has been trimmed from 18 to 17 in line with the overall reduction of MEPs to 736 in the new EP. GERB won the largest share of the vote and held on to its five seats. Government coalition partners BSP and MRF each lost one seat, as did extreme nationalist Ataka. The traditional center-right parties UDF and DSB, united in the Blue Coalition, will enter the EP for the first time. The biggest surprise of the election was the strong showing of ex-King Simeon's NMS party, practically written off by most observers, but now with hopes to survive the national elections. A manual recount may be necessary to determine whether NMS or the Blue Coalition gets a second EP seat as the margin of difference is less than 500 votes. GERB and the Blue Coalition MEPs will join with the center-right European People's Party, MRF and NMS again with the Alliance of Liberals and Democrats, and the BSP with the Party of European Socialists faction.

Distribution of Seats and Vote Percentages:

GERB 5 seats 24.48% BSP 4 seats 18.59% MRF 3 seats 14.21%

Ataka 2 seats 12.01% Blue Coalition 1 seat 7.99% NMS 2 seats 8.0%

## Dress Rehearsal

- 13. (SBU) Most Bulgarians saw the EP elections as a trial run for the July 5 national parliament elections. The parties campaigned almost entirely on national issues. Voters punished the government by voting for populist and protest parties. New protest parties Leader and OLJ together gathered over 10 percent of the vote, probably taking voters from older protest parties GERB and Ataka, and helping to narrow GERB's margin over BSP. Local analysts explain NMS's surprise showing as mostly the personality of its ticket leader, Meglena Kuneva, Bulgaria's EU Commissioner, and to it's clever policy of distancing itself from the ruling coalition and waging a positive campaign, not stooping to the mudslinging of the other parties. MRF, with its dependable ethnic-Turkish voter base did as well as expected with the overall low turnout ) its percentage is likely to be lower in the national elections.
- 14. (SBU) The most significant results in terms of the national elections are the narrowing margin between GERB and BSP and the strength of the protest vote. GERB underestimated the campaign, believing Borissov's charismatic personality alone would be enough to guarantee a big victory. But he did little personal campaigning, leaving stumping to lesser-known subordinates. Inexplicably, Borissov was virtually absent from the campaign during its last 3-4 days, when an estimated 25 percent of Bulgarians make their final

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decision for whom to vote. In contrast, BSP ran a focused campaign, engineered by American consultants GCS, that highlighted BSP's personalities and expertise. For Stanishev, the result is a step forward in his strategy to narrow the margin with GERB enough so that BSP cannot be excluded from government formation. GERB will have to work hard to recapture the protest votes from Leader and OLJ, as well as pull in GERB's "soft" voter support to take a commanding lead in the national elections.

## Vote Buying

- 15. (SBU) Although the extent of vote buying is unconfirmed, two new types emerged. "Corporate" vote buying, enterprises or employers rewarding employees for votes, has allegedly been used by Leader's chief, shady energy oligarch Hristo Kovachki, whose holdings employ upwards of 50,000. "Group" vote buying is reported among Roma, in which one individual is paid to guarantee the votes of a number of others. These tactics are likely to be put to greater use on July 5.
- 16. (SBU) Comment: It is too early to apply conclusions from EP elections to the national elections. Parties will adjust their strategies and an expected larger turnout will affect percentages. The next campaign will be more intense and more dirty. With a lower threshold to enter the national parliament (4 percent vice 5.88 for the EP), it is possible that up to eight parties could enter parliament with no dominant force. Such a scenario bodes ill for quick or stable government formation.

  McEldowney